

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** Original  
**POSITION:** Oppose  
**SPONSOR:** California Dental Association, California Dental Hygienist Association, California Primary Care Association

**BILL NUMBER:** SB 238  
**AUTHOR:** S. Aanestad

### **BILL SUMMARY: Medi-Cal: Dental Hygienists as Medi-Cal Providers**

This bill would allow Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) to be reimbursed for services provided by dental hygienists. This bill also would require the Department of Health Care Services (DHCS) to seek federal approval to implement this change, by March 2008.

### **FISCAL SUMMARY**

This bill would allow all FQHCs and RHCs to provide dental hygienist services to the Medi-Cal population, and subsequently bill for those services, on a fixed amount per-visit basis. Although the exact increase in the number of billable visits claimed by FQHCs and RHCs is unknown at this time, an increase of two visits per facility per month would result in costs of \$2.3 million (\$1.1 million General Fund) annually. Some administrative costs would result from changes to the claims process.

### **COMMENTS**

Finance is opposed to this bill because it would increase General Fund costs for the Medi-Cal program by increasing the number of visits each FQHC and RHC can bill for.

There are approximately 950 FQHCs and RHCs in California. Current law allows FQHCs and RHCs to bill for services provided by a physician, physician assistant, nurse practitioner, certified nurse midwife, clinical psychologist, licensed clinical social worker, or visiting nurse on a per-visit basis. FQHCs and RHCs are paid on a fixed amount per-visit basis that was developed using facility specific expenditure and visits data from the 1999-2000 base year. Additionally, current law allows FQHCs and RHCs to request rate adjustments if they add or change services, relocate or remodel, change the intensity of services, or experience changes in operating costs. Because dental hygienists are not included in the list of provider types, FQHCs and RHCs are not allowed to bill for services provided by a dental hygienist unless a dentist also is involved in the patient visit.

This requirement means that FQHCs and RHCs often rely on dentists for preventive dental services, which decreases the time a dentist can spend providing restorative care. This bill would add dental hygienists and dental hygienists in alternative practice to the above list, thus reducing the need for dentists. However, using a dental hygienist instead of a dentist to do preventive dental services would not result in savings because services are paid on a fixed-amount per-visit basis regardless of who provides the service. Instead, using dental hygienists would result in more billable visits and higher state costs.

Analyst/Principal (0543) T. Williams	Date	Program Budget Manager Michael Wilkening	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

<b>BILL ANALYSIS</b>	Form DF-43 (Rev 03/95 Buff)
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**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)****Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

S. Aanestad

Original

SB 238

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2007-2008	FC	2008-2009	FC	2009-2010	Code
4260/Hlth Care	SO	No		-----	See Fiscal Summary	-----			0001
4260/Hlth Care	SO	No		-----	See Fiscal Summary	-----			0890
4260/Hlth Care	LA	No	C	\$570	C	\$1,140	C	\$1,140	0001
4260/Hlth Care	LA	No	C	\$570	C	\$1,140	C	\$1,140	0890

Fund CodeTitle

0001

General Fund

0890

Trust Fund, Federal